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24 November 1956

FB

MEMORANDUM FOR: Deputy Director/Support

VIA: Special Support Assistant/TDS

SUBJECT: Validity of Continuation of Present Financial Property Accounting System

REFERENCES:

- (a) [redacted] 1027h (Attached)
- (b) [redacted] 87150 (Attached)
- (c) [redacted] 83296 (Attached)

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No Change In Class. <input type="checkbox"/>
<input type="checkbox"/> Declassified
Class. Changed To: TS S <u>(C)</u>
Auth.: HR 70-2
Date: <u>10 OCT 1978</u> By: <u>016</u>

1. This memorandum contains a request for advice from the Deputy Director/Support. The request appears in Paragraph 7.

2. The dissatisfaction of the [redacted] Station with the present Financial Property Accountability system has reached such proportions it is believed warranted to call the matter to your personal attention.

3. Reference (a) called to the attention of the Director the dissatisfaction of the Chief of Base, [redacted], with the administrative work load created by current FPA procedures. The Chief of Base, [redacted], also verbally presented his dissatisfaction to the Deputy Director/Support in June of this year.

4. References (b), approved by Chief of Station, [redacted] and (c), both request a thorough review and reconsideration of need for the current FPA procedure. Reference (c) requests that the matter be brought to the personal attention of the Deputy Director/Support.

5. This Division supports the argumentation advanced by the [redacted] Station in its quest for relief from an administrative burden which is excessive to the need it proposes to serve. We are not unaware of Senate Bill 3597, passed on 20 June 1956 which says, in part, that each Agency's accounting system will provide "adequate monetary property accounting records as an integral part of the system." However, we do point out the significance of the first quoted word, "adequate". It is assumed, that within the spirit of the legislation, and in realization that this Agency operates its foreign installations on a clandestine basis, that the word "adequate" is susceptible of intelligent interpretation. Systems which are adequate for government agencies operating abroad overtly in their own name and with the ability to hire foreign nationals to do their office work, are not adequate for CIA. They are excessive. Systems devised to control the 1950-52 basis of CIA paramilitary activities abroad are excessive to the more sophisticated and more conventional espionage and covert action activities sponsored today by the DM/P complex. Our administrative control mechanisms obviously must be more detailed than those of the usual street-corner commercial establishment. They need not, however, be as involved and minute as a military agency. It would seem that CIA administrative

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mechanisms should more properly be created from a true understanding of the operational base, and a complete recognition of the problems of administration in the covert field stations. Other agencies have their problems, and meet them with their systems. Our problems should be met with our systems.

6. This Division does not dispute the principles of Financial Property Accountability. It does, however, question the feasibility of the current procedure called Financial Property Accountability.

7. It is respectfully requested that this Division, at the convenience of the Deputy Director/Support, be given advice on this matter to transmit to the senior officials of the [REDACTED] Station.

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[REDACTED]
Chief, EE/Administration

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Attachments:

1027h
62150
61296

25X1A6c

Distribution:

- 2 - Addressee (w/att)
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